

REMARKS

Applicant responds herein to the Final Office Action dated April 22, 2008. Claims 4, 6, 8, 11-14 and 34-35 are pending in the application. Claims 15-33 previously have been withdrawn; claims 1-3, 5, 7, 9 and 10 previously have been canceled. Claims 4, 6, 8, 11-14 and 34-35 stand rejected. Claim 34 is an independent claim.

Claim 6 is amended herein to correct an improper dependency. Claim 8 is amended to clarify its meaning.

Silence with regard to any of the Examiner's rejections is not acquiescence to such rejections, but rather a recognition by Applicants that such previously lodged rejection is moot based on Applicants' remarks and/or amendments. Specifically, silence with regard to Examiner's rejection of a dependent claim, when such claim depends from an independent claim that Applicants consider allowable for reasons provided herein, is not an acquiescence to such rejection of the dependent claim, but rather a recognition by Applicants that such previously lodged rejection is moot based on Applicants' remarks and/or amendments relative to the independent claim (that Applicants consider allowable) from which the dependent claim depends.

Rejections under Section 112

The Examiner rejected claims 6 and 8 under §112 as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention.

Claim 6 improperly claimed dependency to canceled claim 5; the Examiner correctly assumed that dependency on claim 34 had been intended; that correction has been made by amendment herein.

The Examiner rejected claim 8 for claiming "the said received offer made by the said at least one market participant to buy and sell a new point-to-point transmission right." The said claim has been amended in accord with the Examiner's suggestion to specify "buy or sell."

These amendments place claims 6 and 8 in proper form.

Rejections under Section 103

In the Final Office Action, the Examiner rejected claims 4, 6, 8, 11-14 and 34-35 under 35 U.S.C. § 103(a) as being unpatentable over Tuck, U.S. Patent 6,115,698 in view of Hogan (Flowgate Rights and Wrongs).

Claim 34 is pending as an independent claim; claims 4, 6, 8, 11-14 and 35 depend therefrom.

Respectfully, Applicant suggests that the Examiner's rejection of claim 34 should be reconsidered, and the claim allowed.

Limitation (c) of claim 34 requires for a "received offer, whose acceptance would violate [a] transmission constraint for a network component":

calculating, for at least one violated transmission constraint for a network component, and for at least one other point-to-point transmission right which utilizes the said network component, a quantity exchange rate for the said network component between said received offer, and the said other right;

Respectfully, Applicant suggests that Tuck does not disclose this limitation.

The Examiner asserts that Tuck discloses this limitation of claim 34 at col. 4, line 60 to col. 5, line 15. In those paragraphs, however, Tuck merely discloses "establish[ing] a maximum import and export limit for each interface." (col. 4, lines 62-63) These limits, in Tuck, are "displayed on a computer generated display," and "[o]n an ongoing basis, ... operators may set the ... Hourly Limits at any value [up to] the maximum." (col. 4, lines 63-67) Tuck further discloses that "the Hourly Limits set ... on either side of an interface may be different," and in that case "the more restrictive limitation" is enforced. (col. 5, lines 1-8) With these limits established at the interfaces in the network, "[a]s Participants accept offers to buy and sell energy, ... [the system] indicates the increased scheduling of this interface..., and lowers the remaining unused transfer capability by a corresponding amount." (col. 5, lines 11-15)

In the Final Office Action, the Examiner bases his conclusion that this passage of Tuck discloses the above limitation by equating the "quantity exchange rate" of claim 34 with Tuck's "transfer capability." (Office Action, p. 4, line 7) But these are not equivalent concepts. As described in the specification, a "quantity exchange rate", for a given network component, for two

transmission rights that utilize that component, is a ratio between the impact of the two transmission rights on that component, in the sense that it measures the number of units by which the second transmission right must be decreased (or increased), to permit an increase of one unit in the first transmission right. (Specification, pages 6, 9, 12) That is, it is in effect the amount of the second transmission right which must be bought or sold to “make room for” one unit of the first transmission right at the network component in question. (A *very* rough analogy: when the “exchange rate” between the euro and the dollar is 1.45, one may “exchange” 1.45 dollars for a euro. By the same token when the quantity exchange rate between two transmission rights at a given network component is 1.45, one may “exchange” 1.45 units of one transmission right, for 1 unit of the other.)

In Tuck, however, there is nothing like this concept. In Tuck, the “transfer capability” to which the Examiner refers is simply the raw capacity of the interface in question to transfer power; for example, Tuck refers to lowering the “unused transfer capability” by a corresponding amount when an offer to buy or sell that uses an interface is accepted. (col. 5, lines 11-15) No ratio to any other purchase or sale is considered.

Indeed, Tuck fails to satisfy another aspect of this limitation of claim 34. The limitation under discussion requires that the quantity exchange rate be calculated “for [a] received offer, whose acceptance would violate at least one transmission constraint.” The concept underlying claim 34 is that its method provides a way of trading rights where a purchase or sale transaction that would violate constraints can nevertheless be consummated by using a quantity exchange rate to facilitate another (offsetting) trade. But in Tuck, the process simply *stops* if a received offer would violate a constraint. When Tuck discusses the problem of constraints (col. 2, lines 19-67, col. 4, line 60 to col. 5, line 22), it provides that if such constraints impact a potential trade they are enforced, leading to the trade being rejected: “As transactions are consummated, this capacity is consumed *and is no longer available for use by others.*” (col. 2, line 53-55) (Emphasis added.) There is no consideration of proceeding further.

The Examiner states that Tuck discloses “that the calculations are based upon a ratio of two elements of the system, the ratio between the import and export interfaces,” (Office Action, p. 5)

again citing col. 4, line 60 to col. 5, line 15. However, that portion of Tuck simply states, as noted above, that “the Hourly Limits set ...on either side of an interface may be different,” and in that case “the more restrictive limitation” is enforced. No “ratio” is calculated or used.

Finally, the Examiner cites Hogan for teaching a power transfer distribution function (PTDF) matrix. (Office Action, pp. 6-8) However, such a matrix is used in claim 34 to determine quantity exchange rates, and since as discussed above Tuck does not disclose or utilize the concept of quantity exchange rates, and indeed does not consider proceeding further if a constraint would be violated by a potential transaction, this aspect of Hogan cannot be combined with Tuck.

Insofar as Tuck does not disclose the said limitation, and Hogan cannot be combined with it to disclose the limitation, it follows that claim 34 is allowable.

Insofar as claims 4, 6, 8, 11-14 and 35 depend from claim 34, those claims also are allowable.

CONCLUSION

Applicant considers the Response herein to be fully responsive to the referenced Office Action. Based on the above Remarks, it is respectfully submitted that this application is in condition for allowance. Accordingly, allowance is requested. If there are any remaining issues or the Examiner believes that a telephone conversation with Applicant’s attorney would be helpful in expediting the prosecution of this application, the Examiner is invited to call the undersigned at 617-832-1118.

Respectfully submitted,

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